CALENDAR ITEM INFORMATIONAL 117

A Statewide 04/23/15
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LEGISLATIVE REPORT PROVIDING INFORMATION AND A STATUS UPDATE CONCERNING STATE AND FEDERAL LEGISLATION RELEVANT TO THE CALIFORNIA STATE LANDS COMMISSION

LEGISLATIVE UPDATE

INTRODUCTION:

The purpose of this calendar item is to update the State Lands Commission (Commission) on proposed state and federal legislation relevant to the Commission's authority and jurisdiction.

Commission staff is following the progress of approximately 25 bills introduced in the first half of the 2015-16 state legislative session and two bills introduced in the 114th United States Congress. The accompanying exhibit to this staff report lists and summarizes the proposed legislation organized by category, ranging from granted public trust lands, to sea level rise adaption and climate change preparedness, to oil spill prevention and ballast water/biofouling management.

CURRENT STATUS OF BILLS SPONSORED BY THE COMMISSION:

At its February 20, 2015, meeting the Commission authorized the sponsorship of six legislative proposals and opposition to one federal legislative proposal. The following bills sponsored by the Commission were introduced this year and are making their way through the legislative process.

SB 141 (McGuire): Humboldt Bay Harbor and Recreation District

This bill addresses an ambiguity in the District's granting statute regarding its authority to dispose of non-sovereign land acquired with trust assets. This bill was approved by the Senate Natural Resources Committee on March 24, 2015, and is awaiting consideration in the Senate Appropriations Committee.

SB 805 (Committee on Natural Resources & Water): Retrocessions and Cessions
This bill amends various statutes governing cessions and retrocessions of legislative jurisdiction over federal lands within California that are in conflict with existing law or in

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need of consolidation. This bill has been referred to the Senate Natural Resources & Water Committee and is scheduled to be heard on April 28, 2015.

AB 729 (Atkins): San Diego Unified Port District

This bill is in spot form and will be amended to add all tide and submerged lands in the San Diego Bay and portions of tide and submerged lands located in the Pacific Ocean to an existing legislative grant of tide and submerged lands to the San Diego Unified Port District. AB 729 is a two-year bill and is in the Assembly Rules Committee.

AB 1274 (Stone): Geophysical Surveys on Public Trust Lands

This bill will modernize the statutory authority for the Commission's geophysical survey program, extend permit authority to granted public trust lands, and help address compliance and enforcement concerns by requiring updated implementing regulations. This bill was approved by the Assembly Natural Resources Committee on April 13, 2015, and is awaiting consideration in the Assembly Appropriations Committee.

AB 1312 (O'Donnell): Ballast Water and Biofouling Management

This bill delays implementation of California's performance standards for vessels that discharge ballast water in state waters, expands the Commission vessel inspection authority to include biofouling management, and makes clarifying and streamlining changes to various related code sections. This bill was approved by the Assembly Environmental Safety and Toxic Materials Committee on April 14, 2015, and will be heard in the Assembly Transportation Committee on April 27, 2015.

STATUS OF OTHER BILLS OF INTEREST:

In addition, the Commission approved sponsorship of legislation to amend the City of Pittsburg granting statute to include a legal land description. However, Commission staff and the City have identified a mechanism at the local level to resolve the issue the legislation sought to address. Therefore, instead of proceeding with legislation, Commission staff and the City of Pittsburg identified a mechanism for filing the legal land description at the County Recorder's Office. On April 16, 2015, the City Council adopted a resolution accepting the trust lands, and in that resolution, granted the City Manager authority to sign acceptance document on behalf of the City Council. Once the acceptance is signed, the City will file the land description with the County Clerk, obviating the need for legislation.

In addition, four bills have been introduced that would directly impact the Commission, including: 1) AB 1323 (Frazier) would expedite removal of derelict abandoned vessels on state waterways, when they constitute marine debris, and require the Commission to adopt best management practices for removal; 2) SB 788 (McGuire) would eliminate

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the Commission's authority to enter into a lease for oil or gas extraction from tide and submerged lands in the California Coastal Sanctuary if the minerals are being drained by producing wells on adjacent federal lands and the lease is in the best interest of the state; 3) SB 63 (Hall) would add seaports to the list of Enhanced Infrastructure Financing Districts to facilitate seaport infrastructure financing and require approval by the Commission before a proposal is submitted to voters for approval; and, 4) SB 233 (Hertzberg) would amend the California Marine Resources Legacy Act, commonly known as "rigs-to-reef," to transfer the Commission's authority to determine the cost savings of partially removing offshore oil platforms in state waters to the Department of Fish and Wildlife (DFW) and make DFW the lead agency for environmental review under the California Environmental Quality Act. SB 233 would also transfer to the DFW the responsibility for determining whether partial platform removal provides a net environmental benefit to the marine environment compared to full removal of the structure. Under existing law this responsibility belongs to the Ocean Protection Council.

Additionally, Commission staff is following the progress of several bills that address climate change preparedness, renewable energy production, and petroleum use. These bills may have an incidental or corollary effect on the Commission's operations. They include: 1) SB 32 (Pavley) would require the California Air Resources Board to approve a greenhouse gas emission limit equivalent to 80% below 1990 levels by 2050; 2) SB 246 (Wieckowski) would create a Climate Action Team under the direction of the Secretary for Environmental Protection to coordinate climate policy with other state agencies and departments; and, 3) SB 350 (De Leon and Leno), the Clean Energy and Pollution Reduction Act of 2015, would reduce petroleum use 50% by 2030, revise the renewable Portfolio Standard to require 50% renewables by 2030, and require state agencies to adjust funding, regulatory, and other mechanisms to achieve a 50% increase in building energy efficiency by 2030.

In regard to sea level rise adaptation and climate change preparedness, another bill introduced this year to facilitate these efforts at the local level is SB 379 (Jackson). This bill would require the next general plan update to include climate adaptation and resiliency strategies applicable to a particular city or county.

Commission staff will continue to monitor these bills and update the Commission at subsequent meetings.

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Below are important deadlines for bills moving through the legislative process:

- May 22, 2015 is the last day for policy committees to hear and report to the Floor non-fiscal bills.
- May 29, 2015 is the last day for fiscal committees to hear and report bills to the Floor.
- June 5, 2015, is the last day to pass bills out of their house of origin.
- July 17, 2015, is the last day for policy committees to meet and report bills and the date when Summer Recess begins.
- September 11, 2015, is the last day for any bill to be passed and is the date of adjournment for the first half of the 2015-16 legislative session.

EXHIBIT

A. Legislative Report

Granted Public Trust Lands

AB 367 (Dodd D) Clear Lake.

Summary: Would appropriate \$2,400,000 to the County of Lake for the purposes of restoring Clear Lake wetlands, maintaining the water quality of Clear Lake, preventing the spread of invasive species to Clear Lake, and controlling and eradicating invasive species in Clear Lake.

Introduced: 2/17/2015 Last Amend: 4/15/2015

Status: 4/16/2015-Re-referred to Com. on APPR.

AB 435 (Chang R) California Environmental Protection Agency: Natural Resources Agency: Web casts of public meetings and workshops.

Summary: Would require that each department, board, and commission of the Natural Resources Agency and each department, board, and office of the California Environmental Protection Agency Web cast all public meetings and workshops, in a manner that enables listeners and viewers to ask questions and provide public comment by telephone or email commensurate with those attending the meeting or workshop. The bill would require the agencies to archive the recording of a Web cast for subsequent reasonable viewing by interested members of the public.

Introduced: 2/19/2015 Last Amend: 3/18/2015

Status: 4/15/2015-In committee: Set, first hearing. Referred to suspense file.

AB 678 (O'Donnell D) Greenhouse gases: Energy Efficient Ports Program.

Summary: Would require the State Air Resources Board, in conjunction with the State Energy Resources Conservation and Development Commission, to develop and implement the Energy Efficient Ports Program to fund energy efficiency upgrades and investments at public ports.

Introduced: 2/25/2015 Last Amend: 4/6/2015

Status: 4/20/2015-From committee: Amend, and do pass as amended and re-refer to Com. on TRANS. (Ayes 9. Noes 0.) (April 13).

AB 729 (Atkins D) San Diego Unified Port District: territory held in trust.

Summary: Current law specifies the territory to be included in the district and grants and conveys in trust to the San Diego Unified Port District in the County of San Diego all the right, title, and interest of the State of California acquired by the state pursuant to specified deeds. This bill would make non-substantive changes in those provisions pertaining to the territory held in trust by the San Diego Unified Port District.

Introduced: 2/25/2015

Status: 2/26/2015-In the Assembly Rules Committee

AB 1033 (Garcia, Eduardo D) Infrastructure financing.

Summary: The Bergeson-Peace Infrastructure and Economic Development Bank Act establish the California Infrastructure and Economic Development Bank, within the Governor's Office of Business and Economic Development, to be governed by a specified board of directors. The act makes findings and declarations, provides definitions, and authorizes the board to take various actions in connection with the bank, including the issuance of bonds, as specified. This bill, among other things, would revise the definition of economic development facilities to include facilities that are used to provide goods movement and would define goods movement-related infrastructure.

Introduced: 2/26/2015

Status: 3/19/2015-Referred to Coms. on J., E.D., & E. and TRANS.

SB 63 (Hall D) Port of Los Angeles.

Summary: Would allow a city or county to establish a Seaport Infrastructure Financing District to finance port or harbor infrastructure and would require the State Lands Commission to approve any bond issuance thereof. The bill would require a harbor agency to prepare an infrastructure financing plan for a seaport infrastructure financing district, defined as an enhanced infrastructure financing district that finances port or harbor infrastructure. The bill would increase the vote threshold for a seaport infrastructure financing district to issue bonds to 2/3 of the voters, and would provide that for purposes of these voters, a "landowner" means the entity paying possessory interest tax on state-owned land.

Introduced: 1/5/2015 Last Amend: 4/7/2015

Status: 4/17/2015-Approved by the Senate Governance and Finance Committee; set for

hearing on April 27 in the Senate Appropriations Committee.

SB 141 (McGuire D) Humboldt Bay Harbor, Recreation, and Conservation District Act: land

Summary: The Humboldt Bay Harbor, Recreation, and Conservation District Act requires that all grants, franchises, leases, permits, rights or privileges be made in accordance with those rules and regulations as the board of commissioners of the district prescribes by resolution, and prohibits irrevocable grants of fee title from being granted or issued. This bill would eliminate that provision prohibiting irrevocable grants of fee title, thereby resolving an ambiguity between two granting statutes regarding the District's authority to dispose of afteracquired property.

Introduced: 1/26/2015

Status: 4/9/2015-Approved by the Senate Natural Resources & Water Committee. Currently in the Senate Appropriations Committee.

SB 562 (Lara D) Infrastructure financing: City of Long Beach Civic Center.

Summary: Would, notwithstanding the Local Agency Public Construction Act and any other law, would authorize the City of Long Beach to contract and procure a project for the revitalization and redevelopment of the Long Beach Civic Center, as defined, in accordance with prescribed procedures for qualification, solicitation, proposal evaluation, and contract award. The bill would authorize the lease of the project to, or ownership by, a private entity or entities, for a term of up to 65 years.

Introduced: 2/26/2015 Last Amend: 4/14/2015

Status: 4/14/2015-April 22 hearing postponed by committee.

Sovereign and School Lands

AB 298 (Gonzalez D) Fish and wildlife: violations.

Summary: Current law generally makes any violation of the Fish and Game Code or any rule, regulation, or order made or adopted under the code a misdemeanor, and specifies that a violation of designated statutes or regulations is either an infraction or a misdemeanor. This bill would make a violation of a specified regulation relating to marine protected areas, marine managed areas, and special closures an infraction or a misdemeanor, except if the person who violates the regulation holds a commercial fishing license or a commercial passenger fishing boat license.

Introduced: 2/12/2015

Status: 4/20/2015-In Senate. Read first time. To Com. on RLS. for assignment.

AB 300 (Alejo D) Safe Water and Wildlife Protection Act of 2015.

Summary: Would enact the Safe Water and Wildlife Protection Act of 2015, which would require the State Coastal Conservancy to establish and coordinate the Algal Bloom Task Force, in consultation with the Secretary of the Natural Resources Agency, and would prescribe the composition and functions and duties of the task force. The bill would require the task force to review the risks and negative impacts of toxic blooms and microcystin pollution and to submit a summary of its findings and recommendations to the secretary by January 1, 2017.

Introduced: 2/12/2015 Last Amend: 4/7/2015

Status: 4/8/2015-Re-referred to Com. on APPR.

AB 694 (Rendon D) California Coastal Commission: fees: low-cost accommodation.

Summary: Current law authorizes money in the Coastal Access Account to be available, upon appropriation, to the State Coastal Conservancy for grants to public and nonprofit entities for development, maintenance, and operation of new or existing facilities that provide public access to the shoreline of the sea. This bill would authorize "in-lieu" public access fees in the account to be made available, upon appropriation, to the California Coastal Commission for purposes of retaining and developing low-cost accommodations, as defined, along the coast by providing low-interest loans and entering into cost-sharing agreements for the renovation of those facilities

Introduced: 2/25/2015 Last Amend: 4/7/2015

Status: 4/16/2015-From committee: Do pass and re-refer to Com. on APPR. (Ayes 6. Noes

3.) (April 13). Re-referred to Com. on APPR.

AB 1274 (Stone, Mark D) Public lands: geological or geophysical surveys.

Summary: Would reorganize the State Lands Commission's statutory authority to issue permits for geophysical surveys on state lands, including granted and ungranted tidelands and submerged lands, subject to terms and conditions as the commission shall specify to ensure public safety and protection of the environment. The bill would also require the commission to adopt regulations to aid in the implementation of those provisions.

Introduced: 2/27/2015 Last Amend: 4/15/2015

Status: 4/16/2015-Re-referred to Com. on APPR and placed on the Suspense File.

AB 1323 (Frazier D) Marine debris: removal and disposal.

Summary: Would apply specified and related provisions, except for the newspaper notice requirement, to marine debris, defined as a vessel, or part of a vessel that is unseaworthy and not reasonably fit or capable of being made fit to be used as a means of transportation by water. The bill would exempt from this provision marine debris that constitutes a public nuisance or a danger to navigation, health, safety, or the environment, and would authorize such marine debris to be removed immediately and sold, destroyed, or otherwise disposed of after 10 days.

Introduced: 2/27/2015 Last Amend: 4/6/2015

Status: 4/7/2015-Re-referred to Com. on NAT. RES. Set for hearing on April 27.

SB 165 (Monning D) Production or cultivation of a controlled substance: civil penalties.

Summary: Current law imposes various civil penalties for violations of specified provisions of the Fish and Game Code in connection with the production or cultivation of a controlled substance. Current law authorizes the Department of Fish and Wildlife to impose those civil penalties administratively. Current law authorizes the department to adopt regulations to implement these provisions and requires the administrative penalties collected to be apportioned in a specified manner. This bill would impose various additional civil penalties,

subject to these provisions, for violations of specified provisions of the Penal Code and the Public Resources Code, in connection with the production or cultivation of a controlled substance.

Introduced: 2/4/2015 Last Amend: 4/14/2015

Status: 4/17/2015-Set for hearing April 27.

SB 805 (Committee on Natural Resources and Water) Natural resources.

Summary: Government Code sections 113 and 126 authorize the Commission, on behalf of the state, to either cede legislative jurisdiction to the federal government or accept back retrocession of such authority in-kind. This bill would streamline the retrocession and cession process. Current law authorizes the Fish and Game Commission to establish, by regulation, an automatic process to conform its sport fishing regulations to federal regulations. This bill would clarify that specified laws relating to administrative regulations and rulemaking do not apply to the conforming action implemented pursuant to the automatic process described above.

Introduced: 4/9/2015

Status: 4/14/2015-Referred to Com. on N.R. & W.

Oil Spill Prevention / Marine Invasive Species Program

AB 815 (Ridley-Thomas D) Oil spill prevention and response fees: collection.

Summary: The Lempert-Keene-Seastrand Oil Spill Prevention and Response Act prohibits the oil spill prevention and administration fee from being collected by a marine terminal operator or refinery operator or imposed on the owner of crude oil or petroleum products if the fee has been previously collected or paid on the crude oil or petroleum products at another marine terminal or refinery and, in that case, requires a marine terminal operator, refinery operator, or owner of crude oil or petroleum products to demonstrate that the fee has already been paid. This bill instead would authorize a marine terminal operator or a refinery operator receiving petroleum products derived from crude oil refined in the state to presume the fee has been previously collected.

Introduced: 2/26/2015

Status: 4/14/2015-From committee: Do pass and re-refer to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 9. Noes 0.) (April 13). Re-referred to Com. on APPR.

AB 1312 (O'Donnell D) Ballast water management.

Summary: Would delay implementation of California's performance standards for vessels that discharge ballast water in the state, expand the Commission vessel inspection authority to include biofouling management, and make clarifying and streamlining changes to various code sections governing the Marine Invasive Species program that the Commission administers.

Introduced: 2/27/2015 Last Amend: 4/15/2015

Status: 4/20/2015-Action From TRANS.: Do pass. To APPR.

SB 233 (Hertzberg D) Marine resources and preservation.

Summary: Would modify the state's rigs-to-reefs program by centralizing responsibility for the program with the Department of Fish and Wildlife, re-set the financial incentives and criteria required to achieve them, and add air quality or greenhouse gas emissions to the determination for the net benefit to the marine environment. The bill would make the Department of Fish and Wildlife, rather than the Natural Resources Agency, the lead agency under CEQA, and make the Department, rather than the State Lands Commission, responsible for making a cost savings calculation about partial versus full removal. This bill would make various other modifications to the program.

Introduced: 2/13/2015 Last Amend: 3/19/2015

Status: 4/16/2015-Set for hearing April 28 in the Senate Natural Resources & Water

Committee.

Oil, Gas, & Mineral Resources

AB 356 (Williams D) Oil and gas: groundwater monitoring.

Summary: Would authorize the State Oil and Gas Supervisor to require a well operator to implement a monitoring program for belowground oil production tanks and facilities, and disposal and injection wells.

Introduced: 2/17/2015 Last Amend: 3/17/2015

Status: 3/18/2015-Re-referred to Com. on NAT. RES.

SB 20 (Pavley D) Wells: reports: public availability.

Summary: Current law requires a person who digs, bores, or drills a water well, cathodic protection well, or a monitoring well, or abandons or destroys a well, or deepens or reperforates a well, to file a report of completion with the Department of Water Resources. Current law prohibits those reports from being made available to the public, except under certain circumstances. This bill would instead require the department to, upon request, make the reports available to the public. The bill would require the department to provide specified disclaimers when providing the reports to the public.

Introduced: 12/1/2014

Status: 4/16/2015-From committee: Do pass and re-refer to Com. on APPR. (Ayes 5. Noes 2.) (April 15). Re-referred to Com. on APPR.

SB 248 (Pavley D) Oil and gas: well history.

Summary: Existing law requires the State Oil and Gas Supervisor to make public a report on specified information pertaining to the procurement of oil and gas. This bill would require the supervisor to establish an inspection protocol and schedule of all activities regulated pursuant to these provisions and would require the total number of inspections and results of the inspections to be included in the above-referenced report. The bill would require division's regulations, field rules, notices, manuals, and other requirements to be reviewed and revised, as needed, through a public process at least once every 10 years.

Introduced: 2/18/2015 **Last Amend:** 4/6/2015

Status: 4/14/2015-From committee: Do pass and re-refer to Com. on APPR. (Ayes 6. Noes 2.) (April 14). Re-referred to Com. on APPR.

SB 545 (Jackson D) Oil and gas operations.

Summary: Would require the State Oil and Gas Supervisor to authorize the exploration and production of hydrocarbons, including, among other things, the drilling, operation, maintenance, and abandonment of wells, and the use of enhanced oil recovery methods, as defined, and authorize the supervisor to allow an owner or operator of a well to utilize all known methods and practices to increase the ultimate recovery of hydrocarbons if the supervisor finds that those methods and practices are consistent with existing law.

Introduced: 2/26/2015 Last Amend: 4/16/2015

Status: 4/16/2015-Read second time and amended. Re-referred to Com. on E.Q.

SB 788 (McGuire D) California Coastal Protection Act of 2015.

Summary: The California Coastal Sanctuary Act of 1994 authorizes the State Lands Commission to enter into a lease for the extraction of oil or gas from state-owned tide and submerged lands in the California Coastal Sanctuary if the commission determines that the oil or gas deposits are being drained by means of producing wells upon adjacent federal lands and the lease is in the best interest of the state. This bill would enact the California Coastal Protection Act of 2015, which would delete this authorization. The bill would make related legislative findings and declarations.

Introduced: 2/27/2015

Status: 4/9/2015-Set for hearing April 28.

Sea Level Rise and Climate Change

SB 32 (Pavley D) California Global Warming Solutions Act of 2006: emissions limit.

Summary: Would require the State Air Resources Board to approve a statewide greenhouse gas emission limit that is equivalent to 80% below the 1990 level to be achieved by 2050, as specified. The bill would authorize the state board to adopt interim greenhouse gas emissions level targets to be achieved by 2030 and 2040. The bill also would state the intent of the Legislature for the Legislature and appropriate agencies to adopt complementary policies that ensure long-term emissions reductions advance specified criteria.

Introduced: 12/1/2014 Last Amend: 3/16/2015

Status: 4/10/2015-Set for hearing April 29.

SB 246 (Wieckowski D) Climate Action Team.

Summary: Would create the Climate Action Team, under the direction of the Secretary for Environmental Protection and consisting of representatives from specified state agencies, that would be responsible for coordinating the state's climate policy to achieve the state's climate change goals, identifying specified unavoidable climate change impacts, developing and implementing specified mitigation and adaptation plans, coordinating climate change policies with specified groups, and identifying and disseminating information to local governments and regional bodies.

Introduced: 2/18/2015 Last Amend: 4/13/2015

Status: 4/13/2015-From committee with author's amendments. Read second time and

amended. Re-referred to Com. on E.Q.

SB 350 (De León D) Clean Energy and Pollution Reduction Act of 2015.

Summary: Would express the intent of the Legislature for the purposes of the RPS program that the amount of electricity generated per year from eligible renewable energy resources be increased to an amount equal to at least 50% by December 31, 2030, and would require the PUC, by January 1, 2017, to establish the quantity of electricity products from eligible renewable energy resources be procured by each retail seller for specified compliance periods sufficient to ensure that the procurement of electricity products from eligible renewable energy resources achieves 50% of retail sales by December 31, 2030.

Introduced: 2/24/2015

Status: 4/10/2015-Set for hearing April 29.